

Official Statement

**PARKING AUTHORITY OF THE
CITY OF OAKLAND, CALIFORNIA**

\$3,000,000

1975 Parking Lease Revenue Bonds

*Motor Transportation Parking Oakland
Public Debt Mun. n*



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Bids to be received by the Parking Authority of the City of Oakland
on or before 11:00 A.M., Thursday, July 24, 1975, at the Office
of the Finance Director-Treasurer, City Hall, Oakland, California.



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PARKING AUTHORITY OF THE CITY OF OAKLAND

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David A. Self, *City Attorney*

Jennings W. Smith, *Director of Finance*

James E. McCarty, *Director of Public Works*

Ronald L. Hurlbut, *Traffic Engineer and Parking Manager*

PROFESSIONAL SERVICES

James Ream and Associates

Bull Field Volkmann Stockwell, *San Francisco*
Architects

Orrick, Herrington, Rowley & Sutcliffe, *San Francisco*
Bond Counsel

Stone & Youngberg Municipal Financing Consultants, Inc., *San Francisco*
Financing Consultants

Wells Fargo Bank, N.A., *San Francisco*
Trustee and Paying Agent

First National City Bank, *New York*

Harris Trust and Savings Bank, *Chicago*
Paying Agents

The information contained in this Official Statement was prepared for the Parking Authority of the City of Oakland by Stone & Youngberg Municipal Financing Consultants, Inc., who are employed by the Authority as financing consultants in connection with the parking project.

All of the following summaries of the statutes, resolutions, leases and project reports are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information.

The information contained in this Official Statement has been compiled from sources believed to be reliable. The Official Statement contains estimates and matters of opinion which are not intended as representations of fact. This Official Statement is not to be construed as a contract with the purchasers of the bonds.

The services of bond counsel are limited to reviewing and rendering assistance in the preparation of the legal proceedings (excluding this Official Statement) authorizing the Bonds and the issuance of an approving legal opinion in conventional form relating solely to the validity of the Bonds and to the exemption of interest on the Bonds from income taxation.

THE DATE OF THIS OFFICIAL STATEMENT IS JUNE 26, 1975

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INTRODUCTION

The Parking Authority of the City of Oakland, a separate public agency, was activated by resolution adopted by the Council of the City of Oakland, California, on February 27, 1975, pursuant to the Parking Law of 1949, for the purpose of providing additional parking facilities within the City.

A five-member board, appointed by the City Council, is the governing board of the Authority. All board members are also members of the Oakland Off-Street Parking Commission. Ex-officio officers of the Authority include the City Attorney, Finance Director, and the City Clerk.

The first project to be undertaken by the Authority is a five-level parking facility to be located in the downtown area at Franklin and 19th Streets. The parking facility is to be financed from the proceeds of the Parking Authority of the City of Oakland 1975 Parking Lease Revenue Bonds. When completed, this facility will provide approximately 450 parking spaces.

The site for the project will be leased by the City to the Authority under a Site Lease. The Authority will lease the site and facilities to be constructed thereon back to the City pursuant to a Project Lease. The Project Lease will provide that the City will pay (for the use and occupancy of the project) an annual base rental sufficient to pay the principal and interest becoming due on the bonds. The Project Lease will also provide for the City to pay an additional rental to meet any operating expenses of the Authority in conjunction with this project.

Under the Project Lease, the City will covenant to include the total annual rental in its budget each year and to appropriate the necessary money for the rental payment.

To assure completion of the project and prompt payment to bondholders, the following additional measures have been taken:

1. A Reserve Fund equal to one-half maximum annual bond service will be established

from bond proceeds. This fund is to be maintained over the life of the bonds, and to be replenished if drawn upon from revenues of the project. It is the intention of the Authority that this fund, when combined with the balance of funds on hand from annual rental payments and the anticipated initial payment by the City, received substantially in advance of the dates such payments will be needed to meet bond service payments, will always exceed one year's annual debt service on the bonds.

2. While completion of construction is expected by November 1, 1976, interest through June 1, 1977 will be funded from bond proceeds.

3. Various types of insurance will be provided, including earthquake, fire and extended coverage and public liability and property damage protection, plus business (rent) interruption insurance equal to 24 months' base rental and additional rental.

4. The Authority received firm bonded construction bids for the project on May 5, 1975. It is anticipated that the construction contract will be awarded on or about August 1, 1975. The construction contract provides for completion by November 1, 1976, otherwise the contractor will be liable for liquidated damages at the rate of \$1,000 per day.

5. A policy of title insurance insuring the Authority's leasehold interest under the Site Lease and with a lender's leasehold endorsement insuring the validity of the Project Lease will be obtained prior to bond delivery.

The annual base rental payment is estimated to be \$282,000. While the rental payment for the project will be a general fund obligation, the City plans to derive funds for the rental payments from surplus revenues generated by the City's Off-Street Parking projects and meters and by the parking facility to be constructed, to the extent available for such purposes under Resolution No. 44053 C.M.S. of the City Council, adopted January 21, 1964.

The City of Oakland is the largest city in Alameda County, and is the county seat. The City contains the headquarters of many of the nation's largest corporations and the Port of Oakland is the largest containership ship port on the Pacific Coast.

The City's estimated population is in excess of 336,000 and its 1974/75 assessed valuation is \$1,189,128,639.

THE BONDS

Authority for Issuance

The Parking Authority of the City of Oakland 1975 Parking Lease Revenue Bonds in the principal amount of \$3,000,000 are being issued under provisions of the Parking Law of 1949, Part 2 of Division 18 of the Streets and Highways Code of the State of California, commencing with Section 32500. Issuance of the bonds is authorized by Resolution No. 8 of the Parking Authority, adopted June 26, 1975. The bonds are revenue bonds payable solely from the revenues received under the Project Lease as defined by the Resolution and are not a debt or obligation of the City of Oakland or the State of California.

The City Council activated the Parking Authority by Resolution No. 54608, adopted February 27, 1975, pursuant to the Parking Law of 1949.

Terms of Sale

Bids for the purchase of the bonds will be received by the Parking Authority of the City of Oakland on Thursday, July 24, 1975, at 11:00 o'clock A.M. Details of the terms of sale are set forth in the Official Notice of Sale, adopted June 26, 1975. A copy of the Official Notice of Sale is included with the documents accompanying this official statement.

Description of the Bonds

The bonds consist of \$3,000,000 principal amount, in coupon form, each in the denomination of \$5,000 and numbered 1 to 600, inclusive. Interest will be payable semiannually on June 1 and December 1 of each year. Interest and principal are payable at the principal office of the Trustee in San Francisco, California, or, in the case of coupon bonds, at any paying agent of the Authority in Chicago or New York. The bonds will be dated June 1, 1975, and will mature serially on December 1, of each year in the principal amounts as follows:

SCHEDULE OF MATURITIES

Maturity Date December 1	Principal Amount	Maturity Date December 1	Principal Amount
1977 ...	\$ 45,000	1989 ...	\$125,000
1978 ...	50,000	1990 ...	135,000
1979 ...	55,000	1991 ...	150,000
1980 ...	60,000	1992 ...	160,000
1981 ...	65,000	1993 ...	175,000
1982 ...	70,000	1994 ...	185,000
1983 ...	75,000	1995 ...	200,000
1984 ...	80,000	1996 ...	215,000
1985 ...	90,000	1997 ...	230,000
1986 ...	100,000	1998 ...	245,000
1987 ...	110,000	1999 ...	265,000
1988 ...	115,000		

Registration

The bonds are to be issued as coupon bonds or as fully registered bonds, at the holder's option, with the privilege of exchange as set forth in the Resolution.

Redemption Provisions

The bonds are subject to redemption, under the circumstances prescribed in the Resolution, at the option of the Authority, as a whole or in part, through the application of proceeds of insurance or of eminent domain proceedings, on any interest payment date without premium. Bonds due on or before December 1, 1985 (a total principal amount of \$590,000) are not otherwise subject to redemption before their respective stated maturities. Bonds due on or after December 1, 1986 (a total principal amount of \$2,410,000) are subject to redemption prior to their respective stated maturities, at the option of the Authority, as a whole, or in part in inverse order of maturity and by lot within any such maturity if less than all of the bonds of such maturity be redeemed, from any source of available funds, on any interest payment date on or after December 1, 1985, at the principal amount thereof and accrued interest thereon to the date fixed for redemption plus a premium as hereinafter set forth. The premium for any bonds redeemed shall be equal to one-quarter of one percent of the principal amount for each year or fraction thereof remaining between the date fixed for redemption and their respective stated maturities, except that such premium shall not exceed 3½ percent of such principal amount.

Notice of Redemption

Notice of redemption is to be published in a financial newspaper or financial journal, circulated in New York, New York, at least 30 days but not more than 60 days prior to the redemption date. The Trustee is required to mail notice to the owners of any registered bonds.

Legal Opinion

The unqualified opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, bond counsel for the Authority, attesting to the validity of the bonds, will be supplied free of charge to the original purchasers of the bonds. A copy of the legal opinion, certified by the official in whose office the original is filed, will be printed on each bond without charge to the successful bidder. See Title Page of this Official Statement regarding the limited scope of bond counsel's services.

Tax Exempt Status

In the opinion of bond counsel, interest on the bonds will be exempt from all present Federal income taxes under existing statutes, regulations and court decisions and the bonds will be exempt from all taxation in California other than inheritance, estate, gift and franchise taxes.

Eligibility as Security for Public Funds

Pursuant to Section 53651 of the Government Code, the bonds are eligible to secure deposits of public funds in banks in the State of California.

Eligibility for National Banks

A request has been made to the Comptroller of the Currency for a ruling that the bonds of the Authority are eligible for purchase, dealing in, underwriting, and unlimited holding by national banks. An answer is expected prior to the date of sale of the bonds.

Security

Bond principal and interest are secured by an exclusive charge upon the base rental payable by the City to the Authority for the use of the parking facilities under terms of the Project Lease. In the event of default by the City under the lease, the income derived by the Authority from operation of the facilities may be determined to be Revenues as defined in, and hence pledged first to the payment of

bonds issued under Resolution No. 44053 C.M.S. Alternatively, it may be determined that the Authority has no right of reentry or reletting of the project so long as said resolution is in effect. The City will agree to make appropriations in its annual budget for the amount of all rental payments under the Project Lease. The City plans to derive funds for the lease payments from parking and other surplus revenues, to the extent available, as more fully discussed on page 9.

Disposition of Funds

The Wells Fargo Bank, San Francisco, has been appointed Trustee pursuant to the Resolution of Issuance. The Trustee will receive all of the bond proceeds and will disburse bond moneys in conformity with the Resolution. In addition to holding and administering the various funds of the Authority, the Trustee will invest the funds held in trust and will be the recipient of all revenues of the Authority under the Project Lease. The Trustee will also act as paying agent of the Authority, paying bond interest and principal. The Trustee will act as bond registrar and will authenticate all registered bonds.

Creation of Special Funds

The Resolution of Issuance provides for the establishment of special funds, all to be administered by the Trustee. These funds, together with their sources and uses, are listed on the following page.

Purpose

The bonds are being issued to finance the construction of a five-level vehicular parking facility in the City of Oakland, as described in this official statement under the heading "The Project".

Disposition of Bond Proceeds

The Resolution of Issuance provides that the proceeds from the sale of the bonds will be deposited and allocated as follows:

1. To the Interest Fund a sum which together with any accrued interest and premium, if any, will equal 24 months' interest on the bonds.
2. To the Reserve Fund an amount equal to one-half the maximum annual debt service of the bonds.
3. To the Working Capital Fund the amount of \$1,500 which is to be maintained as working capital.
4. To the Construction Fund the balance of the bond proceeds.

OAKLAND PARKING AUTHORITY
1975 PARKING REVENUE BONDS
Sources and Use of Funds

Fund	Source(s)	Use
Construction Fund—Section 3.03	Bond Proceeds	Acquisition, site lease, construction and issuance expenses then to Revenue Fund
Revenue Fund—Section 5.01	City Rent Payments	Transfers to required Funds
Interest Fund—Section 5.02(a)	Transfers from Revenue Fund after initial transfer from Bond Proceeds	Bond interest
Redemption Fund—Section 5.02(b)	Revenue Fund	Bond principal
Reserve Fund—Section 5.02(c)	Bond Proceeds and (if depleted) Revenue Fund	Bond principal and interest; payment of final maturities
Operation and Maintenance Fund—Section 5.02(d)	Revenue Fund	All costs of operation if operated by Authority
Surplus Revenue Fund—Section 5.02(e)	Transfers from Revenue Fund	Bond redemption or purchase, or other specified purposes
Working Capital Fund—Section 5.03	Bond Proceeds and Additional Rent	Administrative and miscellaneous expense

Deposit and Application of Revenues

All revenues of the Authority relating to the project, as defined in the Resolution of Issuance, including rent, interest earnings, and (subject to the terms and conditions of Resolution No. 44053 C.M.S.) other income from the project, are pledged to the punctual payment of the bond principal and interest and for the other purposes permitted by the Resolution. All revenues (except additional rental, insurance and eminent domain proceeds and investment income) will be immediately deposited with the Trustee and credited to the Revenue Fund, from which they will be transferred to the following respective funds, in the following order of priority, to be withdrawn only for the purposes of each fund, or as otherwise provided in the Resolution.

1. *Interest Fund*—On or before May 1 of each year, commencing in 1977, the Trustee will deposit a sum sufficient, together with the balance then on hand, to pay interest becoming due and payable on the next two succeeding interest payment dates.

2. *Redemption Fund*—On or before May 1 of each year, commencing in 1977, the Trustee will deposit a sum sufficient, together with the balance then on hand, to pay the principal becoming due and payable on the next succeeding maturity date.

3. *Reserve Fund*—Under the terms of the Resolution, a bond reserve fund equal to one-

half the maximum annual bond service will be created from the proceeds of the sale of the bonds and held by the Trustee. The fund can be used to pay bond principal and interest in the event no other funds are available and on May 1 of each year (commencing in 1976) will be replenished if used to the extent revenues are available. The fund may be used to retire the last outstanding bonds of the issue and may be invested in federal securities as defined in the Resolution of Issuance.

Under the terms of the Project Lease the City is required to make annual base rental payments each July 1. It is anticipated that the City will make an initial payment equivalent in amount to prorated rent for the period from the date of completion through June 30, 1977. If such payment is made, an additional reserve for bond service will be created by the timing of the rental payment of the City. As such, rental payments will be received by the Authority at least eleven months before they are scheduled to be disbursed for the first semiannual interest payment and seventeen months before being disbursed for the annual principal payment and second semiannual interest payment in that year. Thus, the Reserve Fund and the unexpended portion of the City's rental payment each July 1 should exceed one year's bond service.

4. *Operation and Maintenance Fund*—If the Authority at any time operates the project, the Trustee shall deposit in this fund the necessary amounts to provide for all costs of maintenance and operation, including repairs, replacements, labor costs, and insurance.

5. *Surplus Revenue Fund*—On each June 30, commencing in 1977, all remaining revenues shall be deposited in this fund. All moneys in this fund not required to meet future payments of principal and interest based on the schedule of the City for rental payments, at the direction of the Authority may be used and applied, for construction of additions, for transfer to the Working Capital Fund, or for transfer to the City.

Working Capital Fund—A sum of \$1,500 will be initially deposited into the fund and at least this amount must be maintained from additional rental to be received from the City as unencumbered working capital. This fund is to be used by the Trustee upon request of the Authority for payment of such items as taxes or assessments, if any, levied upon the project, administrative costs of the Authority, bank fees, insurance premiums, and other necessary administrative costs.

While any of the bonds are outstanding, the Authority is required to maintain rental income insurance pursuant to Section 6.14 of the Resolution in an amount not less than the rental payable for a period of two years. In the event that the Authority is required to reimburse the City for rent previously paid under the Project Lease pursuant to Section 20, the rental abatement provision, and there are no other monies available, including the proceeds of rental income insurance, all moneys in any of the funds described in paragraphs 1 through 5 above may be withdrawn to reimburse the City.

Additional Bonds

Additional bonds may be issued on a parity with these bonds, subject to the following conditions and other conditions, as specified by Section 3.04 and 3.05 of the Resolution.

1. The additional bonds must be authorized and used to finance completion of the project or additions to the project.

2. The Authority shall be in compliance with the terms of the Resolution of Issuance.

3. The additional bonds must be payable on December 1, with interest payable on June 1 and December 1 of each year.

4. The Authority shall have entered into a lease or revised lease with the City by which the City obligates itself to make payments of base rental in an amount sufficient to provide for the payment of the additional principal and interest, when due.

5. Prior to the issuance of additional bonds, the Authority must file the supplemental resolution and other documents specified in Section 3.05 with the Trustee.

In addition the Reserve Fund must be increased, if necessary, to an amount equal to one-half the revised maximum annual bond service amount.

Insurance Provisions

In the Resolution of Issuance, the Authority covenants that it will maintain or cause to be maintained the following insurance protection, if available on the open market, from reputable insurance companies:

a. During the course of construction, standard all risk builders' risk insurance (including flood and earthquake insurance, if the latter is obtainable at reasonable cost) and war damage insurance on all structures constituting any part of the project in an amount equal to 100% of their replacement cost (in excess of standard deductible) or such lesser amount equal to the then outstanding bonds.

b. Throughout the balance of the term of the Project Lease, fire and lightning insurance with "extended coverage" endorsement, flood and earthquake insurance (if the latter is obtainable at reasonable cost), and war damage insurance on all structures constituting any part of the project in an amount equal to 100% of their replacement cost (in excess of standard deductible) or such lesser amount equal to the then outstanding bonds.

c. Rental income insurance against loss of rental income from the project caused by perils covered by the insurance described above, after completion of construction, in an amount of not less than two years' rental.

d. Public liability insurance of not less than \$1,000,000 combined single limit for bodily and personal injury and property damage per occurrence.

Other Covenants

The Resolution contains other covenants, including but not limited to the following, in which the Authority agrees:

1. To punctually pay bond principal and interest as they become due.
2. Not to create any mortgage, pledge, lien or charge upon the project or the revenues except as specifically permitted by the Resolution of Issuance.
3. To construct and complete the project in conformity with the construction contract.
4. To keep proper books of record and account and to file with the Trustee annually, within four months after the end of each fiscal

year, certified audits showing receipts, disbursements, allocation and application of revenues for such fiscal year.

5. To maintain or cause the project and all buildings and equipment to be maintained.

6. To pay any lawful claims and any taxes, assessments, or other governmental charges upon the project or the revenues.

Estimated Annual Bond Service

Table 1 presents an illustration of the annual bond service, based on an estimated interest rate of 7½ percent. Annual base rental payments by the City are estimated not to exceed \$282,000, but the actual amount will be determined after bond bids are received. The City's base rental payments are payable annually in each fiscal year, on July 1.

Table 1
PARKING AUTHORITY OF THE CITY OF OAKLAND
1975 Parking Lease Revenue Bonds
Estimated Annual Bond Service

Year Ending Dec. 1	Bonds Outstanding	Interest Estimated @ 7½ %	Principal Maturing December 1	Total Bond Service
1975	\$3,000,000	\$ 112,500①	\$ —	\$ 112,500
1976	3,000,000	225,000①	—	225,000
1977	3,000,000	225,000①	45,000	270,000
1978	2,955,000	221,625	50,000	271,625
1979	2,905,000	217,875	55,000	272,875
1980	2,850,000	213,750	60,000	273,750
1981	2,790,000	209,250	65,000	274,250
1982	2,725,000	204,375	70,000	274,375
1983	2,655,000	199,125	75,000	274,125
1984	2,580,000	193,500	80,000	273,500
1985	2,500,000	187,500	90,000	277,500
1986	2,410,000	180,750	100,000②	280,750
1987	2,310,000	173,250	110,000②	283,250
1988	2,200,000	165,000	115,000②	280,000
1989	2,085,000	156,375	125,000②	281,375
1990	1,960,000	147,000	135,000②	282,000
1991	1,825,000	136,875	150,000②	286,875
1992	1,675,000	125,625	160,000②	285,625
1993	1,515,000	113,625	175,000②	288,625
1994	1,340,000	100,500	185,000②	285,500
1995	1,155,000	86,625	200,000②	286,625
1996	955,000	71,625	215,000②	286,625
1997	740,000	55,500	230,000②	285,500
1998	510,000	38,250	245,000②	283,250
1999	265,000	19,875	265,000②	284,875
Totals		\$3,780,375	\$3,000,000	\$6,780,375

① First 24 months' interest funded from bond proceeds.

② Subject to call and redemption on and after December 1, 1985.

THE LEASES

Site Lease

The site of the parking facility is owned by the City of Oakland and is a part of the City's existing Off-Street Parking Project.

The City and the Authority will execute and record the Site Lease prior to the time of the delivery of the bonds. Under the Site Lease, the City will lease the site to the Authority for a rental of \$1.00. No additional site rent will be due. The Site Lease will terminate when all the Authority's bonds have been paid, or on July 10, 2000, unless extended in accordance with Section 2 of the lease. Upon expira-

tion of the Site Lease, title to the project shall vest in the City, free of any interest of the Authority.

Project Lease

The City and the Authority will execute and record the Project Lease prior to the delivery of the bonds. The term of the Project Lease will end when all the Authority's bonds have been paid or on July 1, 2000, unless extended in accordance with Section 2 of the lease.

Under terms of the Project Lease, in the absence of any rental abatement under Section 20 of the Lease, the City will pay the Authority in advance, each July 1, a base rental payment sufficient to meet annual interest and principal payments on the bonds. It is anticipated that the project will be ready for occupancy by November 1, 1976. The City is required to pay additional rental above the base rental for the following: (1) all taxes and assessments, if any, (2) any insurance premiums, (3) all administrative expenses of the Authority in connection with the project. The rent shall be abated (proportionately in relation to initial cost) during any period in which, due to damage or destruction,

Central Oakland



there is a substantial interference with the City's use and occupancy of the site and the project. Rents shall also be abated if the project is not substantially completed by the time required in the Project Lease. The Project Lease shall still continue in full force and effect.

The City is entirely responsible for payment of all maintenance and operations costs. During the term

of the Project Lease, the City has the right to make additions or improvements to the project.

In the event of destruction or damage to the project, certain insurance is required in amounts estimated to be sufficient to enable the Authority to either rebuild the facility or redeem the bonds and terminate the Project Lease.

Oakland City Hall



THE PROJECT

Existing Facilities

The City of Oakland downtown area continues to demonstrate a positive growth pattern due to a number of factors. Major construction and redevelopment, combined with steadily improving access by automobiles to the central business area, create an ever-growing need for additional parking facilities. The downtown area serves as the commercial, professional, government and service center for approximately 1,200,000 persons living in the Oakland Metropolitan Area.

Currently, the City operates 16 off-street parking facilities along with its on-street parking meter program.

Prior Pledge of Income

The parking facility to be financed by the 1975 Parking Lease Revenue Bonds represents an addition to the Project defined in Resolution No. 44053 C.M.S., adopted January 21, 1964, authorizing the

issuance of a \$4,500,000 City of Oakland Off-Street Parking Revenue Bonds, Series A.

Income derived from the operation of the parking facility, plus the lesser of one-half of the gross on-street parking meter revenues or all net on-street parking meter revenues, are pledged under Resolution No. 44053 to the payment of the principal of and interest on the 1964 Series A Bonds. This resolution also requires other off-street parking revenues be deposited in the Revenue Fund established by Resolution No. 44053 and applied accordingly. Resolution No. 44053 provides that an amount not in excess of 60% of the moneys, if any, deposited in the Off-Street Parking Revenue Bond Surplus Revenue Fund established thereby, may be withdrawn and used for such purposes as the payment of additions to the Project.

As of May 1, 1975, there were a total of \$3,060,000 of 1964 Series A Bonds outstanding. Unless retired earlier, final maturity of the bonds is January 1, 1989. No additional bonds are contemplated pursuant to Resolution No. 44053.

Description of This Parking Project

The proceeds from the bonds currently being offered by the Parking Authority will be used to construct and equip a parking structure on a site located at 19th and Franklin Streets in the downtown area. The five-level precast and poured-in-place concrete structure will have a designed parking capacity for approximately 450 vehicles.

Table 2
ESTIMATED PROJECT COSTS AND SOURCES OF FUNDS

Estimated Project Costs:		
Base construction bid	\$1,960,000	
Contingency	196,000	
Design, inspection, administration	254,000	
Total Construction		\$2,410,000
Incidentals:		
Interest during construction (2 years @ 7½ %)	\$ 450,000	
Reserve Fund allowance	145,000	
Legal, financing, printing, miscellaneous	46,500	
Working Capital	1,500	
		643,000
Total Project Costs		<u>\$3,053,000</u>
Sources of Funds:		
Parking Authority Revenue Bonds		\$3,000,000
Interest earnings on invested funds @ 6%		53,000
		<u>\$3,053,000</u>

As designed, the structure provides an entrance from 19th Street and an exit on Franklin Street. Cars move between floors by means of sloping ramps. Pedestrian vertical movement is accommodated by two elevators and three stairways.

The plan calls for a very attractive landscaping treatment, in combination with an open-air atmosphere for both esthetics and ventilation.

Estimated Project Costs

Firm bids for construction of the parking facility were received on May 5, 1975, and the construction contract will be awarded to the low bidder, Titan Parking Systems, of Los Angeles, California, after the bonds are sold. Table 2 shows a summary of estimated project costs, based on the low construction bid and allowances for interest during construction (two years), a bond reserve fund equal to one-half the maximum annual bond service, and other incidental costs.

Contractor's Obligation

The contractor has 200 working days from the date of notice to proceed in which to complete the project. Notice to proceed will be given within 24 hours of bond closing, as required by the Resolu-

tion. To assure completion, the contractor is required to post 100 percent faithful performance and labor and materialmen's bonds. In addition, the Authority will cause to be maintained all risk builder's risk insurance, including but not limited to coverage for earthquake, flood and collapse upon the structure.

If the contractor fails to complete the project by November 1, 1976, he will be subject to liquidated damages of \$1,000 per day which may be deducted from moneys due him.

Parking Revenues

The City will agree to make appropriations in its annual budget for the amount of all rental payments under the Project Lease. Payments may be made from any available source, but the City intends to derive funds for the annual rent from surplus operating revenues of the off-street parking program and on-street parking meters to the extent available under Resolution No. 44053 as discussed on page 9. For the period 1970/71 through 1973/74 net revenues averaged more than \$639,000 per year after deductions of operating expenses, and debt service (including accelerated bond redemptions) but prior to other required adjustments under Resolution No. 44053.

FINANCIAL DATA

The City of Oakland uses the facilities of Alameda County for the assessment and collection of taxes for city purposes. City taxes are collected at the same time and on the same tax rolls as are county and school district taxes. Assessed valuations of properties are the same for both city and county taxing purposes. The California State Board of Equalization reports the 1974/75 Alameda County valuations to average 23.7 percent of full value except for public utility property which is assessed at approximately 25 percent of full cash value.

CITY OF OAKLAND

1974/75 Assessed Valuation

Secured Roll	\$ 921,570,336
Unsecured Roll	167,910,523
Utility Roll	99,647,780
Net Total Assessed Valuation	\$1,189,128,639

The First Extraordinary Session of the 1968 California State Legislature adopted two additional types of exemptions beginning in the tax year 1969/70. The first of these exempts a portion (currently 50 percent) of the assessed valuation of business inventories from taxation.

The second provides for exemption of \$1,750 of the assessed valuation of an owner-occupied dwelling for which application has been made to the county assessor. Revenue estimated to be lost to local taxing agencies due to such exemptions, however, is to be reimbursed from state sources. Such reimbursement is based upon total taxes due upon such exempt values and therefore is not reduced by any amount for estimated delinquencies. The foregoing summary presents the City's 1974/75 assessed valuation before deductions of \$110,235,240 for the secured roll and \$28,237,485 for the unsecured roll.

Assessed Valuations, Tax Levies, and Delinquencies

The following tabulation presents a five-year summary of the City's tax levies and delinquencies, as provided by the office of the Alameda County Auditor.

Fiscal Year	City Assessed Valuation	City Secured Levy
1969/70	\$ 998,263,660	\$23,227,450
1970/71	1,018,239,584	22,897,294
1971/72	1,034,338,567	23,483,867
1972/73	1,077,059,865	25,420,782
1973/74	1,138,052,765	25,107,776

Fiscal Year	Amount Delinquent June 30	Percent Delinquent June 30
1969/70	\$442,239	1.90%
1970/71	417,102	1.82
1971/72	460,329	1.96
1972/73	606,994	2.39
1973/74	558,947	2.23

Tax Rates

The total 1974/75 tax rate for the principal code area in the City was \$14.4155 per \$100 assessed valuation and was composed of the following tax levies.

1974/75 TAX RATE

Code Area 17-001

City of Oakland	\$ 2.9605
Alameda County	3.0300
Schools	6.8750
Special Districts	1.5500
	\$14.4155

Revenues and Expenditures

The following table summarizes the City's general fund transactions for the fiscal years 1969/70 through 1973/74.

Table 3

CITY OF OAKLAND

General Fund Revenues and Expenditures

	1969/70	1970/1971	1971/72	1972/73	1973/74
REVENUES					
Property taxes	\$25,574,300	\$25,340,100	\$25,920,000	\$27,885,200	\$27,846,300
Other local taxes	15,100,800	15,005,700	16,074,000	17,706,100	19,472,200
Licenses and permits	601,800	555,100	620,000	643,600	599,500
Fines, forfeits and penalties	790,700	739,900	611,000	1,128,200	1,361,600
Use of money and property	2,903,100	1,982,400	1,170,000	1,004,400	2,154,800
Charges for current services ...	1,226,200	941,100	1,002,000	1,325,000	1,847,100
Revenue from other agencies ...	7,740,100	8,644,400	9,037,000	8,316,700	12,760,900
Other revenues and non-revenue receipts	6,300	(15,900)	269,000	1,202,100	208,600
Total	\$53,943,300	\$53,192,800	\$54,703,000	\$59,211,300	\$66,251,000
EXPENDITURES					
General government	\$ 2,681,900	\$ 3,605,800	\$ 3,506,000	\$ 4,517,100	\$ 4,658,500
Public safety	24,007,600	27,923,400	27,736,000	29,410,500	22,598,500
Public works	6,170,400	9,189,500	8,075,000	6,446,000	11,788,900
Parks, recreation, libraries and museums	8,571,800	7,566,100	7,717,000	8,005,200	10,109,100
Miscellaneous	10,130,300	10,948,600	12,728,000	13,968,300	18,365,100
Total	\$51,562,000	\$59,233,400	\$59,762,000	\$62,347,100	\$67,520,100

Lake Merritt



Direct and Overlapping Bonded Debt

A statement of the City's direct and overlapping debt as of the sale date of the bonds currently being offered, is shown below:

CITY OF OAKLAND

Statement of Direct and Overlapping Bonded Debt

Population (1975)	336,600	
1974/75 Assessed Valuation	\$1,189,128,639	
Estimated Market Value	\$4,995,556,000 ^①	

	Percent Applicable	Debt Applicable July 24, 1975
San Francisco BARTD	13.316%	\$100,196,242
East Bay MUD	30.586	39,689,923
East Bay MUD, Spec. Dist. No. 1	59.801	12,758,543
Alameda-Contra Costa Transit Spec. Dist. No. 1	34.716	2,317,293
Peralta Junior College District	62.913	24,403,953
Oakland Unified School District	99.999	40,479,595
San Lorenzo Unified School District	0.031	257
San Leandro Unified School District (Various Issues)	4.917-5.464	143,665
South County Junior College District	1.229	120,197
Alameda Unified School District	0.040	1,410
Hayward Unified School District	0.009	320
City of Oakland	100.	9,059,000 ^②
TOTAL GROSS DIRECT AND OVERLAPPING BONDED DEBT.....		\$229,170,398^③
Less: East Bay MUD (90% self-supporting)		35,720,931
Oakland Airport Bonds (100% self-supporting)		1,200,000
TOTAL NET DIRECT AND OVERLAPPING BONDED DEBT		\$192,249,467

	Ratio To:		Per Capita
	1974/75 Assessed Valuation	Estimated Market Value	
Assessed Valuation			\$3,532
Total Direct Debt	7.61%	1.81%	27
Net Direct Debt	6.60	1.57	23
Gross Direct and Overlapping Debt	19.27	4.59	681
Net Direct and Overlapping Debt	16.16	3.84	571

① The State Board of Equalization reports that 1974/75 Alameda County assessed valuations average 23.7 percent of full value, with public utility property (\$99,647,780) assessed at approximately 25 percent of full value.

② Excludes \$3,000,000 Oakland Parking Authority Revenue Bonds being offered at this time.

③ Excludes \$3,060,000 Parking Revenue Bonds, \$103,223,000 Port of Oakland Revenue Bonds and Certificates, City share of BART sales tax revenue bonds, \$2,008,349 share of Alameda County lease-purchase obligations, and \$15,333,773 City share of Oakland-Alameda Coliseum Non-Profit Corporation obligations.

THE CITY

The City of Oakland is the county seat and largest city in Alameda County. It is located on the mainland side of San Francisco Bay, eight miles east of San Francisco via the San Francisco-Oakland Bay Bridge. Population exceeds 336,000 within the city limits. The City was developed from a Spanish land grant when Moses Grant leased a tract of land in 1850. In May, 1852, Oakland was incorporated as a town and in 1854 it was chartered as a city. Today, it is the site of a concentration of diversified manufacturing and shipping facilities in addition to its large residential areas.

Oakland is governed by an elected Mayor and eight City Councilmen. In 1931, the City Manager form of government was installed and the policies of the City Council are executed by an appointed City Manager.

The City encompasses a land area of 53.4 square miles and a water area of 25.7 square miles, totaling 79 square miles within its limits. The climate is mild with prevailing westerly winds from the Pacific Ocean, resulting in warm winds and cool summers. Annual mean temperature is 57 degrees, while the January mean temperature is 48 degrees. Annual rainfall is 17.7 inches between the months of November and April.

Population and Housing

The City's population as of January 1, 1975 was estimated at 336,600 by the State Population Research Unit. This represents somewhat of a decrease since the 1970 census, reflecting a trend to decentralization of residential areas and movement into the suburbs.

The Alameda County population is currently estimated at 1,089,500, a slight increase over the 1970 census figure of 1,073,184. Again the relatively small increase is indicative of the fact that the Oakland-Alameda County area has leveled off in

regard to population influx, while its industrial base has continued to expand.

The following tabulation highlights population growth patterns since 1940, based upon reports of the U. S. Census Bureau.

POPULATION DATA

	City of Oakland	Alameda County
1940	302,163	513,011
1950	384,575	740,315
1960	367,548	908,290
1970	361,561	1,073,184
1975	336,600	1,089,500

Housing in Oakland and Alameda County offers a wide selection of style and size. Apartments, including many newly constructed, are available in all price ranges from \$100-\$125 for studios to \$250 and up for luxury apartments. There are eleven church-sponsored retirement centers and two residence hotels for senior citizens in the heart of the City, along with other private retirement centers, homes, apartments and low-rent public housing in Oakland and within close community distance.

Industry and Business

The Oakland/Alameda Metropolitan Area includes all of Alameda County and extends from Albany on the north along the waterfront of the mainland side of San Francisco Bay, through Fremont and Newark on the south and into Pleasanton and Livermore in the southeast.

There are currently 2,112 manufacturing plants in the Metropolitan Area producing a value added by manufacturers of over \$1.8 billion. Leading group classes of products produced in the county are processed foods, passenger cars and trucks, office equipment, tin and glass containers, calculating and data processing machines, fabricated metal products, floor coverings, chemicals, paints, printing and publishing. Oakland and Alameda County represent a transportation hub, and therefore a natural location for distribution activities. Wholesale commerce in Alameda County has reached an annual sales volume of \$3.7 billion.

Kaiser Center, an Oakland landmark located on the west side of Lake Merritt, is headquarters for the organization's 96 nation-wide and foreign plants. The combination office, parking garage and shopping center complex represents an investment of \$47,000,000. The structure is joined to the \$30,000,000 28-story Ordway Building addition. Adjacent Kaiser property is being master-planned for development in the near future.

The past ten years have reflected a continual growth in the industrial sector of the Alameda County economy. This growth has been a combination of both expansion of existing plants and construction of new facilities. The history of this growth, along with the resultant number of new jobs and payroll, is shown in the following tabulation, provided by the Oakland Chamber of Commerce.

ALAMEDA COUNTY INDUSTRIAL GROWTH

Year	No. of Major Expansions and New Projects	Investment	No. of New Jobs	New Annual Payroll Created
1965	336	\$ 60,490,680	2,421	\$ 12,105,000
1966	351	65,823,708	3,877	19,385,000
1967	299	57,287,966	3,402	17,010,000
1968	441	83,996,551	4,910	29,460,000
1969	387	103,427,566	3,147	18,882,000
1970	382	83,827,883	4,339	26,034,000
1971	313	63,208,443	2,718	16,308,000
1972	343	78,693,640	3,707	29,656,000
1973	357	85,994,826	4,096	32,768,000
1974	325	76,086,094	3,094	24,752,000
TOTAL	3,534	\$758,837,357	35,711	\$226,360,000

City of Oakland with San Francisco in background



Permanent government installations add further economic stability to the area. Included in this category are the U. S. Naval Supply Center, Alameda Naval Air Station, the largest aircraft overhaul and repair facility in the United States, and the Oakland Army Base, where personnel and material are shipped to the entire Pacific region.

The nearby Pleasanton-Livermore Valley is a major western center for the development of nucleonics, with Western Electric's Sandia Corporation plant, the University of California Lawrence Radiation Laboratory and Pacific Gas and Electric-General Electric Companies' Vallecitos Atomic Laboratory, holder of U. S. License No. 1 for the world's first privately financed atomic generated electricity.

A \$25 million research center for Kaiser Aluminum and Chemical Company is in operation in the Pleasanton area, consolidating the company's research and technical activities. Also located in the area are the research center of Clorox and Foremost-McKesson, Inc.

The following summary of some of the Metropolitan Area major employers indicates the diversity of economy, as tabulated by the Oakland Chamber of Commerce.

Employer	No. of Employees
Alameda County	7,300
Oakland Unified School District	5,900
GM Assembly Div., General Motors Corp.	5,700
Kaiser Industries, Inc. & Affiliates	5,200
Montgomery Ward & Co.	5,200
Pacific Telephone Co.	5,000
Del Monte Corporation	4,150
Mervyn's	4,000
U. S. Postal Service	4,000
Pacific Gas & Electric Co.	3,735
Southern Pacific Transportation Co.	3,500
City of Oakland	3,500
Oakland Army Terminal	3,200
Oakland Naval Supply Center	3,000
Hunt-Wesson Foods, Inc.	3,000
Safeway Stores, Inc.	2,100
Singer Business Machines	2,100
The Rucker Company	2,100
Owens-Illinois, Inc.	2,040
Capwell & Co.	1,700
World Airways, Inc.	1,670
Caterpillar Tractor Co.	1,640
Blue Cross of Northern Calif.	1,600
General Electric Co.	1,400

Port of Oakland





Oakland/Alameda County Coliseum Complex

Transportation

Oakland is served by the transcontinental freight terminuses for the Southern Pacific, Western Pacific, and Santa Fe railroads. Under the AMTRAK Passenger Rail Service, Oakland is a major station for coast-wide service from San Diego to Vancouver and from Oakland to Chicago. The billion-dollar Bay Area Rapid Transit System (BART), centered and headquartered in Oakland, serves Alameda, Contra Costa and San Francisco Counties. The first section between Oakland central business district and the City of Fremont opened September 11, 1973. Transbay service to San Francisco opened September 16, 1974.

Oakland International Airport is located in the geographical center of the Bay Area and within minutes of downtown Oakland. Complete air service is offered by Air California, American Airlines, Delta, Holiday, Hughes Air West, PSA, SFO Helicopter, TWA, United, Valley Airlines and Western Airlines. The airport is one of the nation's most advanced air transportation operations. Excellent facilities provide headquarters for World Airways, Trans International Airlines and Saturn Airways. Corporate and personal aviation are served by separate North Field which provides two runways and complete facilities devoted to general aviation and maintenance activities.

The Port of Oakland is northern California's leading shipping center in tonnage and dollar value of cargo handled. It is the largest containerized cargo

port on the West Coast and the second largest facility in the world. Facilities include 12 container berths served by 14 container cranes and two mobile cranes with over 300 acres of back-up and storage space for containers. Combined with general cargo facilities, there are 25 berths and over one million square feet of transit shed and container freight station space. The new 140-acre Seventh Street Terminal features eight quay-type deepwater berths, each with automated cargo handling facilities and equipment. All of the Port's berths lie outside of downtown traffic patterns and are within minutes of transcontinental highways and railroad systems.

Community Facilities and Recreation

The City of Oakland has nine general hospitals, one children's hospital, one psychiatric hospital, one U. S. Naval Hospital and many convalescent hospitals in the City and throughout the County. There are 109 medical practitioners, 536 specialists, 232 dentists, 51 optometrists, and 13 medical laboratories.

There are 374 churches representing 78 denominations in the City and over 500 churches in Alameda County. The Oakland Public Library main branch is located downtown while there are 23 branch libraries including a Latin American Library.

The principal newspaper in the community is the Oakland Tribune, with a circulation of 404,787. In addition, there is one daily legal newspaper and there are 12 semi-weekly and weekly newspapers.



Oakland Museum—Alameda County Courthouse in background

One television station broadcasts from Oakland along with three AM radio stations and a number of FM stations.

The City and County cultural activities are headed by the Oakland Museum, featuring permanent and changing exhibitions on California Art, History and Natural Science. The East Bay Negro Historical Museum offers memorabilia of black culture. Fine arts groups include East Bay Children's Theater, Oakland Junior and Civic Theaters and Woodminister Summer Theatricals. Three ballet groups offer year-round programs: Oakland Civic Ballet, Oakland Metropolitan Ballet and Oakland Ballet Company. Many music groups regularly perform including the Oakland Symphony Orchestra and Chorus, Oakland Community Orchestra, Young Peoples Symphony Orchestra, with programs presented by the Oakland Civic Music Association and Oakland Municipal Band.

Lake Merritt is a 155-acre body of salt water surrounded by Lakeside Park in the heart of the City. The park is a recreation center containing Children's Fairyland, a Natural Science Center, Federal Wild Duck Refuge, picnic areas, gardens, and a bandstand for summer concerts. The City maintains 75 school playgrounds, 65 park areas totalling 1,620 acres, 23 recreation centers, 35 tot lots, five day camps, one family and two children's camps in the Feather River country. The Oakland Zoo is located in 500-acre Knowland Park and has more than 200 mammals, reptiles and birds. It is designed to allow

unobstructed viewing, with exhibits creating an atmosphere of freedom.

The East Bay Regional Park District, with lands in Alameda and Contra Costa Counties, consists of 33,000 acres offering a variety of parklands including large wooded areas, shoreline, and areas of historical and environmental significance for public enjoyment. Established in 1924, the tax-supported agency has a master plan for land acquisition and development. Regional parks in Oakland include Redwood Regional Park, Roberts Regional Recreation Area, Temescal Regional Recreation Area, Huckleberry Botanic Reserve, and portions of Anthony Chabot Regional Park and Robert Sibley Regional Park.

Jack London Square and Mariner's Cove are situated along the Oakland Estuary and are nationally-known restaurant and shopping areas. Jack London Village is a two-million dollar project to be completed this year, adding restaurants, shops and boutiques.

One of the nation's most complete indoor-outdoor sports and show centers is located in Oakland at the Oakland/Alameda County Coliseum Complex. The complex provides arena seating up to 14,200 in air-conditioned comfort, a 53,000-seat stadium, and a 50,000 square foot exhibit hall. Along with top flight shows and concerts, the following sports teams currently appear here: Oakland A's (AL baseball), Oakland Raiders (NFL football), Warriors (NBA basketball), Seals (NHL hockey), and Golden Gaters (pro tennis).

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